GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:3607
ANSWERED ON:27.04.2007
LOANS TO FARMEMRS
Bhargav Shri Girdhari Lal;Maheshwari Smt. Kiran

Will the Minister of FINANCE be pleased to state:

(a) whether the Government has recently announced any relief package for the fanners to increase for inflow of agricultural loans in the coming years;

(b) if` so, the details thereof;

(c) whether the Government has fixed any criteria for rede termination of recovery of outstanding loans from the farmers; and

(d) if so, the details thereof?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE(SHRI PAWAN KUMAR BANSAL)

(a) to (d) : The Farm Credit Package announced by Government on 18.06.2004 for doubling the flow of agricultural credit, inter-alia, includes debt relief to farmers by way of rescheduLement of loans with a moratorium period and `One Time Settlement Scheme` for small and marginal farmers. The farmers availing the benefit of the debt relief were eligible for fresh loans from the banks.Recently, in 31 deb: stressed districts in the four states of Maharashtra (06), Andhra Pradesh (161, Karnataka (06) and Kerala (03), the relief package was announced for farmers by the Government. It provides for waiver of the entire interest on overdue loans as on 01.07.2006 such that all farmers will have no past interest burden as or] that date. It also provides for reschedulement of the overdue loans of the farmers as on 01.07.2006 over a period of 3-5 years with a one year moratorium. These facilities will immediately make the farmers eligible for fresh loan from the banking svstem.